

**MINUTES FOR THE  
SPECIAL MEETING OF THE  
CITY OF ARTESIA OVERSIGHT BOARD FOR THE  
SUCCESSOR AGENCY TO THE ARTESIA REDEVELOPMENT AGENCY**

**Location:**

**ARTESIA CITY COUNCIL CHAMBERS**

**Thursday, June 4, 2013**

**10:00 a.m.**

**I. CALL TO ORDER:**

William Holt, Chair, called the meeting to order at 10:02 a.m.

**II. ROLL CALL:**

Present: Chair William A. Holt, Board Members Kathrin Wardle, Ali Delawalla, William Rawlings and John Kelsall

Absent: Board Members Toan Nguyen and Becky T. Lingad

**SUCCESSOR AGENCY STAFF:**

Gloria Considine, Secretary

Justine Menzel, Deputy Executive Director

Teresa Ho-Urano, Assistant General Counsel for the Successor Agency

Tanya Ruiz, Los Angeles County Board of Supervisors, Executive Office

Cesar Hernandez, Los Angeles County Board of Supervisors, Executive Office

Estevan Padilla, Los Angeles County Board of Supervisors, Executive Office

**III. ADMINISTRATIVE MATTERS:**

1. Self-Introductions of Newly Appointed Oversight Board Members.

Gloria Considine, Secretary, announced the recent appointment of Board Members Kelsall and Rawlings.

2. Administration of the Oath of Office to the Newly Appointed Oversight Board Members.

Gloria Considine, Secretary, administered the Oath of Office to Board Members

Kelsall and Rawlings.

3. Election of Vice Chair for the Oversight Board.

Chair Holt opened the floor for nominations of Vice Chair for the Oversight Board.

Board Member Kelsall nominated Board Member Delawalla as Vice Chair.

Board Member Rawlings nominated Board Member Wardle as Vice Chair and Board Member Wardle accepted the nomination.

**By Common Consent, there being no objection (Board Members Lingad and Nguyen being absent), the Board nominated Board Member Wardle to serve as Vice Chair of the Oversight Board.**

4. RESOLUTION NO. OB 13-22

A Resolution of the Oversight Board for the Successor Agency to the Artesia Redevelopment Agency Approving Action Minutes for the Oversight Board Special Meeting of March 28, 2013.

**By Common Consent, there being no objection (Board Members Lingad and Nguyen being absent), the Board continued this item to the next regular meeting.**

**Attachments:**    [SUPPORTING DOCUMENT](#)

5. RESOLUTION NO. OB 13-23

A Resolution of The Oversight Board for the Successor Agency to the Artesia Redevelopment Agency Approving the Execution of a Pioneer Downtown Revitalization Project Bond Proceeds Funding Agreement Between the Successor Agency and the City of Artesia and Taking Certain Related Actions.

Justine Menzel, Deputy Executive Director, provided an update on the Pioneer Downtown Revitalization Project Bond Proceeds Funding Agreement. She requested that the Oversight Board approve the agreement entered into and between the City of Artesia and the Successor Agency, and additionally, provided a copy of the agreement which was recently approved by the Successor Agency on May 13, 2013.

Discussion ensued and Justine Menzel responded to questions posed by the Board Members. Ms. Menzel provided background information, noting that in 2007 the Artesia Redevelopment Agency issued 2007 Tax Allocation Bonds for various projects, in which the Pioneer Downtown Revitalization Project was included. Ms. Menzel informed the Board that construction began in March 2012, however due to the Department of Finance (DOF) rejecting the contractor payments listed on the Recognized Obligation Payment Schedule (ROPSI) in May 2012, construction was

suspended. Additionally, Ms. Menzel indicated that since the project had commenced before the dissolution of the former Redevelopment Agency and furthermore the fact that the 2007 Bond Proceeds were not allowed to be used for payments, the City had advanced \$893,000 to the Successor Agency to be used for the project.

Ms. Menzel noted that while the various payments had been denied on the last three ROPS, the DOF subsequently provided final determination and approved both the advance reimbursement and the estimated expenses from the 2007 Bond Proceeds. Ms. Menzel informed the Board that the Finding of Completion dated April 18, 2013, issued by the DOF, allows the Successor Agency to resume construction and pay obligations associated with the project, and moreover, reimburse the City for the advancement of prior funds.

Chair Holt questioned when the \$893,000 reimbursement would be made. Ms. Menzel replied that the payment would be initiated at the beginning of the fiscal year of July 2013.

Board Member Delawalla inquired whether any arbitrage penalties were added to the bonds since the bonds were issued back in 2007. Justine Menzel indicated that no arbitrage penalties were incurred.

Board Member Kelsall questioned whether the \$1.7 million estimated expenses allocated for the completion of the Pioneer Downtown Revitalization Project was ample, and if not, whether the Successor Agency is able to dip into the \$4.8 million of unspent bond proceeds it currently has. Ms. Menzel indicated that staff believes \$1.7 million is adequate, and a buffer for contingencies have also been taken into consideration. Teresa Ho-Urano, Assistant General Counsel for the Successor Agency, added that if there are any cost overruns, then the Successor Agency will have the opportunity to add the additional costs on the next ROPS, which will ultimately come back to the Oversight Board for their approval.

Board Member Kelsall inquired on the anticipated completion date. Ms. Menzel indicated December 31, 2013 as the anticipated completion date.

**On motion of Board Member Rawlings, seconded by Vice Chair Wardle, unanimously carried (Board Member Lingad and Nguyen being absent), the Board adopted Resolution NO. OB 13-23, approving the execution of a Pioneer Downtown Revitalization Project Bond Proceeds Funding Agreement between the Successor Agency and the City of Artesia and taking certain related actions.**

**Attachments:** [SUPPORTING DOCUMENT](#)

#### **IV. MISCELLANEOUS:**

##### **6. Chair and Board Member Comments.**

Board Member Rawlings expressed his appreciation for the opportunity to serve as a Member of the Oversight Board.

7. Public Comments (Opportunity for members of the public to address the Board on items of interest that are within the jurisdiction of the Board)

There were none.

8. Matters not on the posted agenda (to be Presented and Placed on the Agenda of a Future Meeting.

There were none.

9. Adjournment of the Special Meeting of June 4, 2013.

Chair Holt adjourned the meeting at 10:30 a.m.